

AMENDED IN SENATE MAY 15, 2007

AMENDED IN SENATE MARCH 20, 2007

SENATE BILL

No. 264

Introduced by Senator Alquist

February 14, 2007

An act to amend ~~Section 100250~~ *Sections 100250 and 100251* of the Public Utilities Code, and to add Section 7262.3 to the Revenue and Taxation Code, relating to taxation.

LEGISLATIVE COUNSEL'S DIGEST

SB 264, as amended, Alquist. Transactions and use taxes: Santa Clara Valley Transportation Authority.

The Transactions and Use Tax Law authorizes various local governmental entities, subject to certain limitations and approval requirements, to levy transactions and use taxes as special taxes in accordance with the procedures and requirements set forth in that law. The Santa Clara Valley Transportation Authority Act provides for the establishment of the Santa Clara Valley Transportation Authority with a specified membership. Upon approval of a specified proposition by a vote of the electorate, the authority would be authorized to impose a retail transactions and use tax for specified purposes.

This bill would revise that act to conform to the voter approval requirements set forth in the California Constitution. This bill would also authorize the Santa Clara Valley Transportation Authority to adopt an ordinance to impose a transactions and use tax, for specified purposes, if certain conditions are met.

The bill makes legislative findings and declarations as to the necessity of a special statute.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 100250 of the Public Utilities Code is
2 amended to read:

3 100250. A retail transactions and use tax ordinance may be
4 adopted by the board in accordance with the provisions of Part 1.6
5 (commencing with Section 7251), Division 2 of the Revenue and
6 Taxation Code, provided that a measure authorizing the ordinance
7 is submitted to and approved by the electors, in accordance with
8 the California Constitution, at a special election called for that
9 purpose by the board.

10 SEC. 2. *Section 100251 of the Public Utilities Code is amended*
11 *to read:*

12 100251. Any transactions and use tax ordinance adopted shall
13 be operative ~~on the first day of the first calendar quarter~~
14 ~~commencing not less than 180 days after adoption of the ordinance~~
15 *in accordance with Section 7265 of the Revenue and Taxation*
16 *Code.*

17 ~~SEC. 2:~~

18 SEC. 3. Section 7262.3 is added to the Revenue and Taxation
19 Code, to read:

20 7262.3. Notwithstanding any other provision of law, the Santa
21 Clara Valley Transportation Authority may adopt an ordinance
22 imposing a transactions and use tax at a rate of 0.125, provided
23 that all other provisions of this part and Article 9 (commencing
24 with Section 100250) of Chapter 5 of Part 12 of the Public Utilities
25 Code are complied with by the Santa Clara Valley Transportation
26 Authority.

27 ~~SEC. 3:~~

28 SEC. 4. The Legislature finds and declares that a special law
29 is necessary and that a general law cannot be made applicable
30 within the meaning of Section 16 of Article IV of the California
31 Constitution because of the unique fiscal pressures experienced
32 by the Santa Clara Valley Transportation Authority in providing
33 essential public transit services.

O